



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **HB 593** HLS 09RS 1265
Bill Text Version: **REENGROSSED**
Opp. Chamb. Action: **w/ SEN COMM AMD**
Proposed Amd.:
Sub. Bill For.:

Date: June 9, 2009 3:55 PM	Author: BILLIOT
Dept./Agy.: Local Finance	
Subject: Investments by political subdivisions	Analyst: Glenda Leblanc

LOCAL FINANCE/INVESTMENT RE1 NO IMPACT LF See Note Page 1 of 1
Provides with respect to the investment in bonds by political subdivisions

Purpose: This proposed measure authorizes political subdivisions to invest in bonds, debentures, notes, or other evidences of indebtedness issued by the State of Louisiana or any of its political subdivisions. Such investments are required to meet prescribed minimum national investment grade ratings, and have a final maturity of no more than three years. The three year limitation is not applicable to a) funds held by certain third party custodians in connection with a bond issue or b) hospital service districts, governmental 501(c)(3), or a public trust authority. The measure additionally prohibits a political subdivision from purchasing its own debt.

EXPENDITURES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

According to an official with the Louisiana Municipal Association, this measure merely provides another investment option which can be accessed by municipalities. They do not anticipate any impact on expenditures.

Per an official with Louisiana Police Jury Association, the investment option proposed by this measure is optional. They do not anticipate any impact on governmental expenditures.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

According to officials with both the Louisiana Municipal Association and the Louisiana Police Jury Association, the measure merely provides another investment option which can be accessed by political subdivisions of the state. They do not anticipate any impact on revenues.

Senate

Dual Referral Rules

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Joy Irwin

Director of Advisory Services